DATE MAILED
JUN 1 5 2010

BEFORE THE

PUBLIC SERVICE COMMISSION OF WISCONSIN

Request by Wisconsin Electric Power Company and Wisconsin Gas Company for a Three-Year Extension of its Low Income Pilot Program Through March 2013 5-GF-144

ORDER

Wisconsin Electric Power Company and Wisconsin Gas Company, doing business as We Energies (We Energies), requested approval of a three-year extension of its Low Income Pilot Program (Pilot Program) as authorized by the Commission in its Decisions in Docket 05-GF-144 dated March 23, 2005, February 22, 2006, May 3, 2007, December 12, 2007, and December 28, 2008. The Commission discussed the request at its open meeting on April 29, 2010, but did not approve it. Subsequently, We Energies modified its request in a letter dated May 10, 2010. We Energies withdrew its request for a three-year extension of the program and requested that the Commission extend the Pilot Program to April 15, 2011, only for the purpose of implementing a phased conclusion. The Commission considered the modified request at its open meeting on May 14, 2010.

The request is approved, with conditions.

Introduction

On December 27, 2009, We Energies filed a request with the Commission for approval of a three-year extension of its Low Income Pilot Program. On May 10, 2010, We Energies withdrew its request for a three-year extension of the program and requested that the Commission extend the Pilot Program to April 15, 2011, only for the purpose of implementing a

phased conclusion. We Energies would like to undertake further study of the low income bill payment issue. We Energies plans to enlist stakeholders in low-income matters by way of a task force approach to address the issues raised by the Commission at its April 29, 2010, open meeting discussion. In addition to Commission representation, the proposed task force will also include representatives from the Social Development Commission, Community Advocates, WisCap, the Citizens' Utility Board, and legislators from low-income districts, including Milwaukee and Racine.

Opinion

During the discussion on April 29, 2010, the Commission acknowledged the potential benefits of and community support for an extension of the Low Income Pilot Program, but expressed concerns about the overall expense of the Pilot Program. At its open meeting on May 14, 2010, the Commission considered We Energies' withdrawal of its request for a three-year extension of the program and its request for extension of the Pilot Program to April 15, 2011, for the purpose of implementing a phased conclusion.

The Commission accepts the withdrawal of the extension request. We Energies shall conclude its Low Income Pilot Program by April 15, 2011, but shall terminate the financial education and training portion of the program immediately. Commission staff shall work with We Energies on low income bill payment issues. The Commission agrees with We Energies' suggestion that it set up a task force to determine what should be put in its place, but the task force shall be a partnership between We Energies and the Commission rather than a utility-run task force. The Commission stated that the task force should look at all relevant low income bill issues, including the use of escrow accounting and the pros and cons of a lifeline rate.

It is Ordered:

1. The request by We Energies to extend its Low Income Pilot Program is approved

through April 15, 2011, for the purpose of implementing a phased conclusion. The financial

education and training portions of the program are terminated immediately.

2. A joint task force shall be set up by We Energies and Commission staff to look at

low income bill payment issues, including the use of escrow accounting and the pros and cons of

a lifeline rate, to develop some proposed objectives, and to bring those back to the Commission

for guidance before developing a plan.

3. This order takes effect the day after the date of mailing.

By the Commission:

Secretary to the Commission

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See attached Notice of Rights

PUBLIC SERVICE COMMISSION OF WISCONSIN 610 North Whitney Way P.O. Box 7854 Madison, Wisconsin 53707-7854

NOTICE OF RIGHTS FOR REHEARING OR JUDICIAL REVIEW, THE TIMES ALLOWED FOR EACH, AND THE IDENTIFICATION OF THE PARTY TO BE NAMED AS RESPONDENT

The following notice is served on you as part of the Commission's written decision. This general notice is for the purpose of ensuring compliance with Wis. Stat. § 227.48(2), and does not constitute a conclusion or admission that any particular party or person is necessarily aggrieved or that any particular decision or order is final or judicially reviewable.

PETITION FOR REHEARING

If this decision is an order following a contested case proceeding as defined in Wis. Stat. § 227.01(3), a person aggrieved by the decision has a right to petition the Commission for rehearing within 20 days of mailing of this decision, as provided in Wis. Stat. § 227.49. The mailing date is shown on the first page. If there is no date on the first page, the date of mailing is shown immediately above the signature line. The petition for rehearing must be filed with the Public Service Commission of Wisconsin and served on the parties. An appeal of this decision may also be taken directly to circuit court through the filing of a petition for judicial review. It is not necessary to first petition for rehearing.

PETITION FOR JUDICIAL REVIEW

A person aggrieved by this decision has a right to petition for judicial review as provided in Wis. Stat. § 227.53. The petition must be filed in circuit court and served upon the Public Service Commission of Wisconsin within 30 days of mailing of this decision if there has been no petition for rehearing. If a timely petition for rehearing has been filed, the petition for judicial review must be filed within 30 days of mailing of the order finally disposing of the petition for rehearing, or within 30 days after the final disposition of the petition for rehearing by operation of law pursuant to Wis. Stat. § 227.49(5), whichever is sooner. If an *untimely* petition for rehearing is filed, the 30-day period to petition for judicial review commences the date the Commission mailed its original decision. The Public Service Commission of Wisconsin must be named as respondent in the petition for judicial review.

If this decision is an order denying rehearing, a person aggrieved who wishes to appeal must seek judicial review rather than rehearing. A second petition for rehearing is not permitted.

Revised July 3, 2008

¹ See State v. Currier, 2006 WI App 12, 288 Wis. 2d 693, 709 N.W.2d 520.